

# Certificate Accounts Truth in Savings Disclosures



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**Effective date: October 24, 2022**

These Truth in Savings Disclosures set forth current conditions, rates, fees and charges applicable to your Certificate Accounts at American Lake Credit Union at this time. The Credit Union may offer other rates and fees or amend the rates and fees contained in this schedule from time to time. Each account holder agrees to the terms set forth on these Truth in Savings Disclosures and acknowledges they are part of the Membership and Account Agreement.

| Accounts<br>HB= High Balance (in Certificate)<br>L = Loan (excludes Credit Card) | Annual Dividend Rate | Annual Percentage Yield | Minimum Opening Balance | Additional Deposits | Withdrawals                         | Dividends Compounded/<br>Credited |
|--|----------------------|-------------------------|-------------------------|---------------------|-------------------------------------|-----------------------------------|
| 3 Month Certificate  | 0.150%               | 0.15%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
| 6 Month Certificate  | 0.300%               | 0.30%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 0.349%               | 0.35%                   | \$ 10,000               |                     |                                     |                                   |
|  | 0.399%               | 0.40%                   | \$ 50,000               |                     |                                     |                                   |
| 6 Month Veterans Family Fund   | 0.500%               | 0.50%                   | \$ 100                  | Not Allowed         | Allowed-See Transaction Limitations | Maturity                          |
| 1 Year Certificate – Bump Feature  | 0.747%               | 0.75%                   | \$ 10,000               | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 0.797%               | 0.80%                   | \$ 50,000               |                     |                                     |                                   |
|  | 0.847%               | 0.85%                   | \$ 100,000              |                     |                                     |                                   |
| 1 Year Certificate   | 0.747%               | 0.75%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 0.797%               | 0.80%                   | \$ 10,000               |                     |                                     |                                   |
|  | 0.847%               | 0.85%                   | \$ 50,000               |                     |                                     |                                   |
|  | 0.896%               | 0.90%                   | \$ 100,000              |                     |                                     |                                   |
| 2 Year Certificate – Bump Feature  | 0.797%               | 0.80%                   | \$ 10,000               | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 0.847%               | 0.85%                   | \$ 50,000               |                     |                                     |                                   |
|  | 0.896%               | 0.90%                   | \$ 100,000              |                     |                                     |                                   |
| 2 Year Certificate   | 0.797%               | 0.80%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 0.847%               | 0.85%                   | \$ 10,000               |                     |                                     |                                   |
|  | 0.896%               | 0.90%                   | \$ 50,000               |                     |                                     |                                   |
|  | 0.946%               | 0.95%                   | \$ 100,000              |                     |                                     |                                   |
| 3 Year Certificate   | 0.995%               | 1.00%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 1.045%               | 1.05%                   | \$ 10,000               |                     |                                     |                                   |
| 5 Year Certificate   | 1.094%               | 1.10%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 1.144%               | 1.15%                   | \$ 10,000               |                     |                                     |                                   |
| 18 Month IRA Certificate   | 0.896%               | 0.90%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 0.995%               | 1.00%                   | \$ 10,000               |                     |                                     |                                   |
| 30 Month IRA Certificate   | 0.995%               | 1.00%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 1.094%               | 1.10%                   | \$ 10,000               |                     |                                     |                                   |
| 5 Year IRA Certificate   | 1.193%               | 1.20%                   | \$ 500                  | Not Allowed         | Allowed-See Transaction Limitations | Monthly                           |
|  | 1.292%               | 1.30%                   | \$ 10,000               |                     |                                     |                                   |

**TRUTH IN SAVINGS DISCLOSURES**

*Except as specifically described, the following disclosures apply to all of the accounts above.*

**1. Rate Information.** The Annual Percentage Yield is a percentage rate that reflects the amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. For Share Certificate, Mini Jumbo Certificate and IRA Certificate Accounts, the Dividend Rate and Annual Percentage Yield are fixed and will be in effect for the initial term of the account. For accounts subject to dividend compounding, the Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. For Certificate Accounts with the Bump Feature you may during the term of your Bump Rate Certificate, you are permitted to make a one-time request to adjust your dividend rate at your discretion. To adjust the rate on the Bump Rate Certificate, an owner of the Certificate must contact the Credit Union to request the increase. The rate of the Bump Rate Certificate will be adjusted on the date the Credit Union receives the request. The rate will be adjusted to the rate currently in effect for our Bump Rate Certificate at the time the request is made. When you elect to exercise the Bump Rate Feature, the new dividend rate will be paid for the remaining term of your account. A one-time dividend rate increase will not extend the maturity date of your account. The Credit Union makes no guarantee you will be able to exercise this feature since future dividend rates cannot be predicted. Early withdrawal penalties may apply if funds are accessed before the Certificate's date of maturity. On the maturity date the Certificate balance will be renewed as a Bump Rate Certificate for the same term. The renewed Certificate will have the Bump Rate feature. A minimum deposit of \$10,000 is required to open and maintain a Bump Rate Certificate. You will earn dividends for every day during the period that your account equals or exceeds the minimum daily balance requirement. The APY assumes dividends will remain on deposit until maturity. The dividend period on your account begins from the date that your account is opened and ends on the maturity date, unless renewed. A withdrawal of dividends will reduce earnings.

**a. Veterans Family Fund.** After dividends have been posted to the account, one-half or 50% of the dividends will be paid directly to the Veterans Family Fund.

**2. Dividend Period.** For each account, the dividend period is the account term. The dividend period begins on the first day of the term and ends on the maturity date.

**3. Dividend Compounding and Crediting.** The compounding and crediting frequency of dividends are stated in the Rate Schedule.

**4. Balance Information.** The minimum balance requirements applicable to each account are set forth in the Rate Schedule. To open any account you must deposit or already have on deposit at least the par value of one full share in a Regular Share account. The par value amount is \$5.00. Some accounts may have additional minimum opening deposit requirements. For all accounts, dividends are calculated by the Daily Balance method, which applies a periodic rate to the balance in the account each day.

**5. Accrual of Dividends.** For all accounts, dividends will begin to accrue on noncash deposits (e.g., checks) on the business day you make the deposit to your account. For all accounts, if you close your account before accrual dividends are credited, accrued dividends will not be paid.

**6. Transaction Limitations.** For all accounts, after your account is opened, you may make withdrawals subject to the early withdrawal penalties stated below. For Share Certificate and IRA Certificate accounts, no additional deposits may be made during the term of your account. For 1 Year Certificate Add-On accounts, you may make deposits during the term of your account.

**7. Maturity.** Your account will mature as stated on this Truth-in-Savings Disclosure or on your Account Receipt or Renewal Notice.

**8. Early Withdrawal Penalty.** We may impose a penalty if you withdraw from your account before the maturity date.

**9. Amount of Penalty.** For all accounts, the amount of the early withdrawal penalty is based on the term of your account. The penalty schedule is as follows: (i) Term of 1 Year or Less - 180 days' dividends; and (ii) Term of Longer than 1 Year – 270 days' dividends.

**10. How the Penalty Works.** The penalty is calculated as a forfeiture of part of the dividends that have been or would be earned on the account. It applies whether or not the dividends have been earned. In other words, if the account has not yet earned enough dividends or if the dividend has already been paid, the penalty will be deducted from the principal.

**11. Exceptions to Early Withdrawal Penalties.** At our option, we may pay the account before maturity without imposing an early withdrawal under the following circumstances: (i) When an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction; (ii) where the account is an Individual Retirement Account (IRA) and any portion is paid within seven (7) days after the establishment; or where the account is a Keogh Plan (Keogh), provided that the depositor forfeits an amount of at least equal to the simple dividends earned in the amount withdrawn; or where the account is an IRA or Keogh and the owner attains age 59½ or becomes disabled.

**12. Renewal Penalty.** The renewal policy for your accounts is stated in the Rate Schedule. For accounts that automatically renew for another term upon maturity, you have a grace period of ten (10) days after maturity in which to withdraw funds in the account without being charged any early withdrawal penalty. For accounts that do not automatically renew for another term, you will not be paid dividends on the account after the maturity date. Upon maturity, the account balance becomes transferred to your Regular Share account.

**13. Nontransferable/Nonnegotiable.** Your account is nontransferable and nonnegotiable.

*Accounts above as of the Effective Date indicated above. The Credit Union may offer other rates in the future. If you have any questions or require current rate information on your accounts, please call the Credit Union.*

